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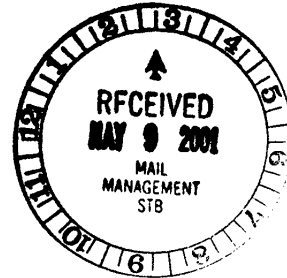
May 7, 2001

Surface Transportation Board  
1925 K Street, NW  
Washington, D.C. 20423-0001  
Attn: Ms. Taledia Stokes

RECORDATION NO. 23480 FILED

MAY 09 '01 12-54 PM

SURFACE TRANSPORTATION BOARD



Dear Ms. Stokes:

Enclosed for recordation pursuant to the provisions of 49 U.S.C. Section 11301(a) are two (2) copies of a Loan Agreement, Chattel Mortgage and Security Agreement, dated May 4, 2001, a primary document as defined in the Board's Rules for the Recordation of Documents.

The names and addresses of the parties to the enclosed document are:

Borrower: National Car Systems Inc.  
222 West Gregory Boulevard  
Kansas City, Missouri 64114

Secured Party: Allfirst Bank  
25 South Charles Street  
Baltimore, Maryland 21201

A description of the railroad equipment covered by the enclosed documents is:

One hundred seventy (170) open top rotary coupler rail gondolas, AAR mechanical designation J312(GT), built in 1979 bearing the marks and numbers as listed in Schedule I.

A short summary of the document to appear in the index follows:

Loan Agreement, Chattel Mortgage and Security Agreement between National Car Systems Inc., Borrower, and Allfirst Bank, Secured Party, covering one hundred seventy (170) open top rotary coupler rail gondolas, AAR mechanical designation J312(GT), built in 1979 bearing the marks and numbers as listed in Schedule I.

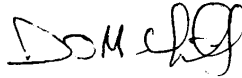
Surface Transportation Board  
May 7, 2001  
Page 2

**MILES & STOCKBRIDGE P.C.**

Also enclosed is a check in the amount of \$28.00 payable to the order of the Surface Transportation Board to cover the required recordation fee.

Please kindly return stamped copies of the enclosed document to the undersigned at the above-listed address.

Very truly yours,

A handwritten signature in black ink, appearing to read "D. M. Schilling", written in a cursive style.

David M. Schilling  
Legal Assistant

Enclosures

RECORDATION NO. 23480 FILED

MAY 09 '01 12-54 PM

SURFACE TRANSPORTATION BOARD

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LOAN AGREEMENT,  
CHattel MORTGAGE AND SECURITY AGREEMENT

Dated as of May 4, 2001

between

ALLFIRST BANK

and

NATIONAL CAR SYSTEMS INC.

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LOAN AGREEMENT,  
CHattel Mortgage and Security Agreement

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LOAN AGREEMENT,  
CHATTEL MORTGAGE AND SECURITY AGREEMENT

THIS LOAN AGREEMENT, CHATTEL MORTGAGE AND SECURITY AGREEMENT (this "Agreement") is made this 4<sup>th</sup> day of May, 2001, by and between NATIONAL CAR SYSTEMS INC., a Missouri corporation with its principal place of business and chief executive office at 222 West Gregory Boulevard, Kansas City, Missouri (the "Borrower"), and ALLFIRST BANK, with its principal place of business at 25 South Charles Street, Baltimore, Maryland 21201 (the "Bank").

RECITALS

A. Borrower is the owner and lessor of 170 open top gondola railcars described on Schedule I attached hereto and made a part hereof (the "Cars").

B. The Cars are leased to Corn Products International, Inc. (the "Lessee") pursuant to that certain Railcar Equipment Lease dated as of February 27, 2001 (the "Lease") between the Borrower, as lessor, and the Lessee.

C. As used herein, the term "Equipment" shall mean the Cars and any other equipment which is now or hereafter described on Schedule I hereto, and each item thereof, shall be referred to as an "Item of Equipment".

D. The Borrower has applied to the Bank for a loan in the principal amount of \$\_\_\_\_\_ and the Bank is willing to accommodate the Borrower upon and subject to the terms, conditions and provisions of this Agreement.

NOW, THEREFORE, for and in consideration of the mutual covenants and agreements herein contained, and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, and intending to be legally bound, the Borrower and the Bank do hereby agree as follows:

I. THE LOAN.

Section 1.1. Loan. (a) Subject to the fulfillment of the conditions specified in Article III hereof, the Bank hereby agrees to lend to the Borrower the aggregate principal sum of \$\_\_\_\_\_ (the "Loan"). The obligation of the Borrower to repay all sums advanced to it under the Loan shall be evidenced by the Borrower's Non-Recourse Promissory Note in substantially the form attached hereto as Exhibit A (the "Promissory Note"). The Promissory Note shall bear interest and be payable in the manner and at the times set forth therein and as hereinafter provided.

Section 1.2. Prepayment. The Borrower may prepay the principal sum outstanding as provided in the Promissory Note.

Section 1.3. Loan Procedure. On the date hereof, the Bank will advance \$ \_\_\_\_\_ to the Borrower.

Section 1.4. [Reserved]

Section 1.5. Collateral Account. From and after the date of the first advance hereunder until the Obligations (as hereinafter defined) are paid in full, the Borrower will deposit or direct the Lessee to deposit into a bank account designated by the Bank (the "Collateral Account") all checks, drafts, cash and other remittances in payment or on account of payment of the Lease except payments by the Lessee in the nature of personal indemnification of the Borrower or proceeds of liability insurance relating to the Equipment and the Borrower (all of the foregoing herein collectively referred to as "items of payment"). The Borrower hereby agrees to direct the Lessee to wire transfer or pay by check to the Bank at 25 South Charles Street, Baltimore, Maryland 21201, Attn: Transportation & Leasing Division, for deposit into the Collateral Account, all such amounts due under the Lease (the "Collections"). In addition, Borrower agrees to deposit all items of payment received by the Borrower into the Collateral Account, within two (2) Banking Days of receipt thereof, and in precisely the form received, except for the endorsement of the Borrower where necessary to permit the collection of the same. Provided no Event of Default (hereinafter defined) shall have occurred and be continuing, within twenty-four hours after a Collection or item of payment representing monthly rent under the Lease becomes good funds, the Bank shall wire transfer to the Borrower at such account as the Borrower shall designate in writing to the Bank, all sums from such Collection or item of payment in excess of the monthly payments due under the Promissory Note. The Borrower hereby authorizes the Bank to withdraw from the Collateral Account all sums necessary to pay as and when due the principal of and/or interest on, and all other sums due under, the Promissory Note.

Section 1.6. [Reserved]

Section 1.7. Effect of Casualty to Equipment. The amounts received from time to time by the Bank which constitute settlement by the Lessee, insurance companies or railroads of the casualty, stipulated loss, or similar value for any Item of Equipment pursuant to the Lease ("Casualty Payments") shall be applied in accordance with the terms of the Promissory Note; provided, however, any payments to be applied to unpaid principal shall be calculated as follows: a sum equal to the product obtained by multiplying the outstanding aggregate principal balance of the Promissory Note by a fraction, the numerator of which is the number of Items of Equipment sustaining a casualty and the denominator of which is the number of Items of Equipment securing the Loan immediately prior to the occurrence of such event. The principal payments due under the Promissory Note shall be reduced on a pro rata basis and the Promissory Note shall be amended to reflect such reduction. The balance of any Casualty Payment due to the Borrower by the Bank pursuant to the terms of the Promissory Note shall be made by wire transfer to such account as the Borrower shall designate in writing to the Bank within 48 hours after such casualty payments become good funds.

## II. COLLATERAL.



Section 2.1. Security for Loan. As security for the payment by the Borrower to the Bank of all amounts payable hereunder, under the Promissory Note and under the other loan documents (the "Loan Documents"), and for the performance by the Borrower of its obligations hereunder and under the other Loan Documents (all such obligations, the "Obligations"), the Borrower does hereby grant, bargain, sell, convey, assign, transfer, mortgage, hypothecate, pledge, confirm and create in favor of the Bank a first priority chattel mortgage lien on and security interest in (the "Lien") the following described property, rights and privileges (which collectively, including all property hereafter specifically subjected to the Lien by the terms hereof or by any instrument supplemental hereto, are herein called the "Collateral"):

- (1) the Cars and all accessions, improvements and attachments thereto and all substitutions, renewals or replacements thereof (the "Equipment");
- (2) all of the Borrower's right, title and interest as lessor in and to the Lease, including, without limitation, the right to receive all payments and other sums due thereunder, for or with respect to the Equipment (all such payments, "Rents");
- (3) all of the Borrower's right, title and interest in and to the monies in the Collateral Account;
- (4) all of the Borrower's right, title and interest in and to all cash and non-cash proceeds (including insurance proceeds and condemnation awards) of any of the foregoing; and
- (5) all books and records relative thereto, whether or not in the Borrower's possession.

Notwithstanding the foregoing, there shall be excluded from the Lien and the Collateral the Borrower's right to receive all payments by the Lessee in the nature of personal indemnification of the Borrower or proceeds of liability insurance relating to the Equipment and the Borrower, all Casualty Payments in excess of the pro rata amount of accrued interest and principal with respect to any Item of Equipment suffering a casualty, all rental payments under the Lease with respect to excess mileage and, except to the extent that an abatement, setoff or reduction in rental payments under the Lease due to the alleged failure of the Borrower to perform its obligations under the Lease reduces rental payments received by the Bank below the amount needed to make monthly payments due under the Promissory Note, all monthly rental payments under the Lease in excess of the monthly payments due under the Promissory Note (all such payments, "Excepted Payments").

The parties agree that, notwithstanding anything contained herein to the contrary, the Borrower shall continue to remain liable under the Lease and shall perform all of the obligations assumed by it thereunder, all in accordance with and pursuant to the terms and provisions thereof, and the Bank shall not be required or obligated in any manner to perform or fulfill any obligations of the Borrower under or pursuant to the Lease or, except as herein expressly provided, to make any payment, or to make any inquiry as to the nature or sufficiency of any payment received by it, or present or file any claim, or take any action to collect or enforce the payment of any amounts which may have been assigned to it or to which it may be entitled at any time or times.

The Borrower does hereby constitute the Bank as its true and lawful attorney irrevocably, with full power (such power coupled with an interest) in the name of the Borrower or otherwise to ask, require, demand, receive, and compound and give acquittance for any and all monies and claims for monies due and to become due under or arising out of the Lease (other than Excepted Payments), to endorse any checks or other instruments or orders in connection therewith and to file any claims or take any action or institute any proceedings which the Bank alone may deem necessary or advisable in the premises; provided, however, that the Bank shall not exercise such power of attorney so long as no Event of Default (hereinafter defined) has occurred and is continuing.

The Borrower further agrees that the Bank shall have in respect of the Collateral all of the rights and remedies of a secured party under the Maryland Uniform Commercial Code ("UCC"). The Borrower covenants and agrees to execute and deliver such instruments, documents, financing statements and other filings necessary in the opinion of the Bank to duly perfect such security interest and mortgage lien.

Upon payment and performance of all of Borrower's Obligations, the security interest created hereby shall terminate and shall be of no further force or effect.

### III. CLOSING; CONDITIONS PRECEDENT.

Section 3.1. Closing. The closing on the Loan shall take place at the offices of Miles & Stockbridge, counsel to the Bank, at 10 Light Street, Baltimore, Maryland 21202 or at such other place as the parties may designate, on such day or days as the parties shall specify at least two (2) Banking Days prior to such closing.

#### Section 3.2. Conditions Precedent.

(a) Delivery of funds. The obligation of the Bank to make the Loan shall be subject to the Borrower's satisfaction of the following conditions precedent:

(i) Delivery to the Bank of a fully-executed copy of each of the following documents:

(A) this Agreement,

(B) the Promissory Note,

(C) the Notice and Acknowledgment duly executed on behalf of the Borrower and the Lessee,

(D) an acceptance certificate duly executed on behalf of the Lessee, in form and substance satisfactory to the Bank, with respect to 170 Cars;

(ii) The Bank shall receive on the date hereof: (a) a certificate of the Secretary or Assistant Secretary of the Borrower, in a form acceptable to the

Bank in all respects, dated as of the date hereof and certifying (i) that attached thereto is a true, complete and correct copy of resolutions adopted by the Board of Directors of the Borrower duly authorizing the execution, delivery and performance of this Agreement and the other Loan Documents, and the Obligations, (ii) that attached thereto is a true, complete and correct copy of the by-laws and articles of incorporation of the Borrower, and (iii) as to the incumbency and specimen signature of each officer of the Borrower executing this Agreement and the other Loan Documents, (b) a UCC-1 financing statement naming the Borrower as debtor and the Bank as secured party with respect to the Collateral, (c) a certified copy of the fully-executed Lease, (d) a certified copy of the fully-executed Exhibit A to the Lease, (e) a certified copy of the bill of sale whereby the Borrower acquired title to the Cars, ; and (f) such additional information and reports as the Bank may reasonably deem necessary.

(iii) On or prior to the date hereof, this Agreement and a memorandum of the Lease, shall have been duly filed with the Surface Transportation Board ("STB").

(iv) The Borrower shall have good and marketable title to all of the Collateral, free and clear of all liens, encumbrances and interests of those claiming by, through or under the Borrower (except the Lien and the Lease) and the Bank will be given a first priority chattel mortgage lien on and security interest in all such Collateral.

(v) A certificate of insurance evidencing the insurance required by Section 6.7 hereof.

#### IV. UNCONDITIONAL OBLIGATIONS.

Subject to the provisions of 9.7 hereof, the payment and performance by the Borrower of the Obligations shall be absolute and unconditional, irrespective of any defense or any rights of set-off, recoupment or counterclaim it might otherwise have against the Bank, and the Borrower shall pay absolutely net during the term of the Loan all of the Obligations, free of any deductions and without abatement, diminution or set-off; and until payment in full of all of the Obligations, the Borrower: (a) will not suspend or discontinue any payments provided for in the Promissory Note, (b) will perform and observe all of its other agreements contained in this Agreement, including (without limitation) all payments required to be made to the Bank, and (c) will not terminate or attempt to terminate this Agreement for any cause.

#### V. REPRESENTATIONS AND WARRANTIES.

To induce the Bank to make the Loan, the Borrower hereby represents and warrants to the Bank at the time of each advance of the Loan that:

Section 5.1. Good Standing. The Borrower (a) is a corporation duly organized, validly existing and in good standing under the laws of the State of Missouri, which is the state of the

Borrower's incorporation, (b) has the full power and authority to own and hold under lease its property and to carry on its business as now being conducted, and (c) is duly qualified and licensed to do business as a foreign corporation in good standing in each jurisdiction in which the character of its properties or the nature of its business makes such qualification necessary.

Section 5.2. Power and Authority. The Borrower has full power and authority to execute and deliver this Agreement and each of the other Loan Documents, and the Borrower has the power and authority to make the borrowings hereunder, and to incur the Obligations, all of which have been duly authorized by all proper and necessary corporate action. No consent or approval of stockholders, any public authority or any other Person is required as a condition to the execution, validity or enforceability of this Agreement or any of the other Loan Documents.

Section 5.3. Binding Agreements. Assuming due execution and delivery by the Bank, this Agreement and each of the other Loan Documents have been duly executed by the Borrower, constitute valid and legally binding obligations of the Borrower, enforceable against the Borrower in accordance with the terms thereof.

Section 5.4. Litigation. There are no proceedings pending or, to the knowledge of the Borrower, threatened before any court, arbitrator or administrative agency that could materially affect the financial condition or operations of the Borrower, the authority of the Borrower to enter into this Agreement or any of the other Loan Documents or its ability to perform hereunder and thereunder.

Section 5.5. No Conflicting Agreements. There is (a) no charter, by-law or preference stock provision of the Borrower and no provision of any existing mortgage, indenture, contract or agreement binding on the Borrower or affecting the Borrower's property, and (b) to the knowledge of the Borrower, no provision of law or order of court binding upon the Borrower which would conflict with or in any way prevent the execution, delivery, or performance of the terms of this Agreement or of any of the other Loan Documents or which would be violated as a result of such execution, delivery or performance.

Section 5.6. Financial Condition. The financial statements of the Borrower, copies of which have been furnished to the Bank, are complete and correct and fairly and accurately present the financial condition of the Borrower as of its respective dates and the results of their operations for the periods then ended. There have been no material adverse changes in the financial condition of the Borrower or its members or the results of their operations since the respective dates of such financial statements.

Section 5.7. Taxes. The Borrower has filed all Federal, state and local tax returns that, to the knowledge of the Borrower, are required to be filed, and has paid all taxes as shown on such returns or on any assessment received by it, to the extent that such taxes have become due, unless and to the extent only that such taxes, assessments and governmental charges are currently being contested in good faith and by appropriate and diligent legal proceedings by the Borrower and adequate reserves therefor have been established as required under generally accepted accounting principles. To the extent the Borrower believes it advisable to do so, the Borrower has set up

reserves that it believes to be adequate for the payment of additional taxes for years that have not been audited by the respective tax authorities.

Section 5.8. Compliance With Law. The Borrower is not in violation of any law, ordinance, governmental rule or regulation to which it is subject, and the Borrower has obtained any and all licenses, permits, franchises or other governmental authorizations necessary for the ownership of its properties and the conduct of its business, and for the performance of its obligations under the Loan Documents.

Section 5.9. Place(s) of Business and Location of Collateral. The address of the Borrower's chief executive offices is as specified in the preamble to this Agreement. Except for the "chattel paper" (as such item is defined in the UCC and interpretive case law persuasive in the courts of the State of Maryland) copy of the Lease which will be turned over to the Bank pursuant to the terms hereof, all books and records pertaining to the Collateral are and will be located at the Borrower's chief executive offices. The Borrower will promptly advise the Bank in writing of the opening of any new place or places of business or the closing of any of its existing places of business, and of any change in the location of the place or places where the books and records concerning the Collateral, or any part thereof, are kept.

The Bank may file this Agreement, a memorandum of the Lease, any financing statements and any other recordation documents or filings to perfect and otherwise give priority to the Lien on the Collateral is as follows: a copy of this Agreement shall be, and a recordation copy of a memorandum of the Lease is now and shall be at all times until the Lien thereon is released by the Bank, filed with the STB and the Registrar General of Canada; Uniform Commercial Code financing statements-Form UCC-1 evidencing the granting of the Lien shall be filed with the Secretary of State of Missouri and Jackson County Recorder of Deeds ("UCC-1s"). The Bank may make other filings necessary under any other applicable law for the purposes of securing or perfecting the Lien against the Collateral or causing it to have first priority status at all times until released by the Bank. The Bank shall pay for all such filings other than with the STB and appropriate filing offices within the State of Missouri, unless such filings are required by the relocation of the offices of the Borrower where the Borrower keeps its books and records relating to the Collateral, in which case the Borrower shall pay for such filings. The Borrower shall pay for such filings with the STB or appropriate filing office within the State of Missouri, subject to the \$ \_\_\_\_\_ limit described in Section 10.7 hereof. All of the filings referenced above are, and all such filings which are to be filed hereafter shall be, properly completed, duly executed and recorded in the appropriate offices or registries therefor; and the Lien constitutes a valid duly perfected first priority chattel mortgage lien on and security interest in the Collateral.

Section 5.10. Title to Properties. The Borrower has good and marketable title to the Collateral. The Collateral is free and clear of any and all mortgages, pledges, liens, charges and other encumbrances (other than the Lien and the Lease), of those claiming by, through and under the Borrower. The Borrower is not aware of any one claiming a lien or other interest in the Collateral by virtue of its dealings with the Lessee; and the Borrower has not heretofore assigned or pledged any of its right, title or interest in any of the Collateral.

Section 5.11. Margin Stock. None of the proceeds from the Loan will be used, directly or indirectly, by the Borrower for the purpose of purchasing or carrying, or for the purpose of reducing or retiring any indebtedness that was originally incurred to purchase or carry any "margin security" within the meaning of Regulation G (12 C.F.R. Part 207), or "margin stock" within the meaning of Regulation U (12 C.F.R. Part 221), of the Board of Governors of the Federal Reserve System (herein called "margin security" and "margin stock") or for any other purpose that might make the transactions contemplated herein a "purpose credit" within the meaning of said Regulation G or Regulation U, or cause this Agreement to violate any other regulation of the Board of Governors of the Federal Reserve System or the Securities Exchange Act of 1934, as amended, or the Small Business Investment Act of 1958, as amended, or any rules or regulations promulgated under any of such statutes.

Section 5.12. ERISA. Any Plan (as hereinafter defined) established and maintained by the Borrower or any Commonly Controlled Entity (as hereinafter defined) is a qualifying plan under the applicable requirements of ERISA (as hereinafter defined), and there is no current matter which would materially adversely affect the qualified tax-exempt status of any Plan; neither the Borrower nor any Commonly Controlled Entity has engaged in or is engaging in any Prohibited Transaction (as hereinafter defined) or has incurred any Accumulated Funding Deficiency (as hereinafter defined) in connection with any such Plan, whether or not waived, and no Reportable Event (as hereinafter defined) has occurred with respect to any Plan subject to the minimum funding requirements of Section 412 of the Code (as hereinafter defined); no Multiemployer Plan (as hereinafter defined) has "terminated", as that term is defined in ERISA; neither the Borrower nor any Commonly Controlled Entity has "withdrawn" or "partially withdrawn" from any Multiemployer Plan; and no Multiemployer Plan is in "reorganization" nor has notice been received from the administrator of any Multiemployer Plan that any such Plan will be placed in "reorganization". As used in this Agreement, the term "Accumulated Funding Deficiency" means an "accumulated funding deficiency" as defined in Section 302 of ERISA or Section 412(a) of the Code; the term "Commonly Controlled Entity" means any subsidiary or any other trade or business (whether or not incorporated) which is under "common control" (as defined in the Code) and of which the Borrower or any of its subsidiaries is a part; the term "Multiemployer Plan" means a multiemployer plan (as defined in ERISA) to which the Borrower or any Commonly Controlled Entity, as appropriate, has or had an obligation to contribute; the term "Plan" means any pension, profit sharing, savings, stock bonus, or other deferred compensation plan which is subject to the requirements of ERISA, together with any related trusts; the term "Prohibited Transaction" means a "prohibited transaction" as defined in Section 406 of ERISA or Section 4975 of the Code; the term "Reportable Event" means a "reportable event" as defined by Title IV of ERISA; the term "ERISA" means the Employee Retirement Income Security Act of 1974, as amended. As used in this Agreement, the term "Code" means the Internal Revenue Code of 1986, as amended, and the income tax regulations issued and proposed to be issued thereunder.

Section 5.13. Governmental Consents. Neither the nature of the Borrower or of its business or properties, nor any relationship between the Borrower and any other Person, nor any circumstance in connection with the making of the Loan, or the offer, issue, sale or delivery of the Promissory Note is such as to require the consent, approval or authorization of, or filing, registration or qualification with, any governmental authority, on the part of the Borrower, as a condition to the

execution and delivery of this Agreement or any of the other Loan Documents, the borrowings hereunder, the offer, issue, sale or delivery of the Promissory Note.

Section 5.14. Full Disclosure. The financial statements referred to in this Article V do not, nor does this Agreement, nor do any written statements furnished by the Borrower or any other Person to the Bank in connection with the making of the Loan, contain any untrue statement of a material fact or omit a material fact necessary to make the statements contained therein or herein not misleading. There is no fact that the Borrower has not disclosed to the Bank in writing which materially affects or, will or could prove to materially affect the properties, business, prospects, profits or condition (financial or otherwise) of the Borrower or the ability of the Borrower to perform its obligations under this Agreement.

Section 5.15. No Default. There is no Event of Default (as hereinafter defined) which has not otherwise been waived by the Bank and no event has occurred and no condition exists that with the giving of notice or the passage of time, or both, would constitute an Event of Default. The Borrower is not in default under the terms of any other agreement or instrument to which it is a party or by which it, the Collateral or any of its property may be bound or subject, with respect to any evidence of indebtedness or liability for borrowed money.

Section 5.16. Recitals. The Recitals to this Agreement are true and accurate in each and every respect and are all incorporated by reference herein.

Section 5.17. The Lease. The Lease constitutes the legal, valid and binding obligations of each of the parties thereto, is enforceable by such parties in accordance with its terms and is in full force and effect; no event of default, or event which with the giving of notice or passing of time, or both, would constitute an event of default has occurred the Lease and there are no matured but unsatisfied claims against the Borrower in favor of the Lessee which could be set off against the payments due and to become due under the Lease. The Borrower is lawfully entitled to receive payment of all monies and other sums due and to become due under the Lease, free and clear of any and all liens, encumbrances and other adverse rights whatsoever, except for the Lien. The Lease contains no prohibition against assignment and by its terms permits the Borrower to assign its rights to all payments due thereunder to the Bank.

## VI. AFFIRMATIVE COVENANTS OF BORROWER.

Until payment in full and the performance of all of the Obligations hereunder, the Borrower shall:

### Section 6.1. Financial Statements. Furnish to the Bank:

(a) Annual Statements and Certificates. As soon as available but in no event more than one hundred twenty (120) days after the close of each of the Borrower's fiscal years, (i) a copy of the internally prepared financial statements of the Borrower, all in reasonable detail and satisfactory to the Bank, and certified by the Borrower's chief financial officer, which statements shall include a balance sheet as at the end of such fiscal year, profit and loss statement and a statement of cash flows.

(b) Annual Certificate of Chief Financial Officer. As soon as available but in no event more than one hundred twenty (120) days after the close of each of the Borrower's fiscal years, a certificate of the chief financial officer of the Borrower stating whether any event has occurred that constitutes an Event of Default or that would constitute an Event of Default with the giving of notice or the lapse of time, or both, and, if so, stating the facts with respect thereto.

(c) Additional Reports and Information. With reasonable promptness, such additional information, reports or statements as the Bank may from time to time reasonably request.

Section 6.2. Taxes and Claims. Pay and discharge all taxes, assessments and governmental charges or levies imposed upon it or any of its income or properties prior to the date on which penalties attach thereto, and all lawful claims which, if unpaid, might become a lien or charge upon any of its properties; provided, however, the Borrower shall not be required to pay any such tax, assessment, charge, levy or claim, the payment of which is being contested in good faith and by appropriate and diligent legal proceedings.

Section 6.3. Existence. Maintain its existence in good standing in the jurisdiction in which it is formed and in each jurisdiction where it is required to register or qualify to do business, or to perform its obligations under the Loan Documents.

Section 6.4. Compliance with Laws Generally. Comply with all applicable Federal (including those of the United States and Canada), state and local laws, rules and regulations.

Section 6.5. Governmental Regulation. Promptly notify the Bank in writing in the event that the Borrower receives any notice, claim or demand from any governmental agency that alleges that the Borrower is in violation of any of the terms of, or has failed to comply with any applicable order issued pursuant to, any Federal or state statute regulating its operation and business, including, but not limited to, the Occupational Safety and Health Act and the Environmental Protection Act.

Section 6.6. Litigation. Give prompt notice in writing, with a full description to the Bank, of all litigation and of all proceedings before any court or any governmental or regulatory agency affecting the Borrower which, if adversely decided, would materially affect the conduct of the Borrower's business, the financial condition of the Borrower or in any manner affect the Collateral or the Borrower's performance of its obligations under the Loan Documents.

Section 6.7. Insurance. Cause to be carried and maintained (a) casualty insurance in respect of the Equipment in an amount not less than the Casualty Value as determined pursuant to the Lease, and (b) public liability insurance of not less than \$50,000,000; all policies with respect to such insurance shall name the Bank as an additional insured and loss payee (for all policies insuring against loss or damage) , as its interests may appear, shall provide for at least thirty (30) days, prior written notice by the insurance carrier to the Bank in the event of cancellation, modification or expiration and shall include waivers by the insurer of all claims for premiums against the Bank and a standard mortgagee waiver in favor of the Bank. Lessee's performance of its obligations under Section 11 of the Lease shall be deemed to constitute performance by the Borrower of the foregoing requirements of this Section. In the event that the Borrower and/or the Lessee shall fail to maintain



insurance as herein provided, the Bank may (at its sole option) provide such insurance and in such event the Borrower shall be liable to the Bank for the cost thereof together with interest on the amount of such cost from the date of the Bank's payment thereof until the Bank is fully reimbursed therefor at the rate of interest provided in Section 9.2 of this Agreement; and so long as no Event of Default has occurred, any insurance proceeds received by the Bank shall be distributed in accordance with the Lease and Article I hereof.

Section 6.8. Maintenance of Properties. Upon a responsible officer, as defined in Section 6.17, having actual knowledge of the need for maintenance, keep and maintain, or cause the Lessee thereof to keep and maintain, the Equipment in good operating condition; make, or cause the Lessee thereof to make, all proper repairs, renewals, replacements, additions and improvements thereto needed to maintain such properties in good operating condition; and comply and cause each Lessee to comply with all laws, rules, regulations and orders applicable to the Collateral or any part thereof.

Section 6.9. Maintenance of the Collateral. Not permit anything to be done to the Collateral that may impair the value thereof. The Bank, or an agent designated by the Bank, shall be permitted to enter the premises of the Borrower and examine, audit and inspect the Collateral at any reasonable time and from time to time without notice. The Bank shall not have any duty to, and the Borrower hereby releases the Bank from all claims of loss or damage caused by the delay or failure to collect any payment due under or enforce any term of the Lease or to preserve any rights against any other party with an interest in the Collateral.

Section 6.10. Defense of Title and Further Assurances. After the closing of the Loan, if there is a challenge to the title to the Collateral (or any part thereof) or the priority of the Lien, at its expense, defend the title to the Collateral (or any part thereof), and promptly upon request execute, acknowledge and deliver any financing statement, renewal, affidavit, deed, assignment, continuation statement, security agreement, certificate or other document the Bank may require in order to perfect, preserve, maintain, protect, continue and/or extend the Lien and its priority or to obtain the full benefits of the assignment hereunder and of the rights, powers and benefits granted in this Agreement. The Borrower shall be solely liable for and pay to the Bank on demand all taxes, costs and expenses incurred by the Bank in connection with the preparation, execution, recording and filing of any such document or instrument.

Section 6.11. Enforcement of Lease Covenants. Enforce each and every agreement and obligation to be performed by the Lessee under the Lease.

Section 6.12. Books and Records. (a) Keep and maintain accurate books and records, (b) make entries on such books and records disclosing the Bank's assignment of, and security interest in and lien on, the Collateral and all collections received by the Borrower pursuant to the Leases, (c) furnish to the Bank promptly upon request such information, reports, contracts and other data concerning the Lessees and the Collateral and all contracts and collections) relating thereto as the Bank may from time to time specify, (d) unless the Bank shall otherwise consent in writing, keep and maintain all such books and records mentioned in (a) above at its chief executive offices, and (e) permit any Person designated by the Bank to enter the premises of the Borrower and examine, audit and inspect the books and records at any reasonable time and from time to time without notice.

Section 6.13. Deposit of Lease and Collateral Payments. Promptly upon receipt, deposit all moneys and items of payment constituting Collateral into the Collateral Account in the original form received by the Borrower (except for the endorsement of the Borrower where necessary, which endorsement the Borrower agrees to make, and the Bank, by its duly authorized officers or nominee, may also make such endorsement on the Borrower's behalf if an Event of Default has occurred and is continuing pursuant to the power of attorney granted to the Bank in Section 2.1 of this Agreement). Except for the rent payments under the Lease for March and April, 2001, the Borrower shall not commingle any moneys received by it under the Lease (other than Excepted Payments) or items of payment with any of its other funds or property but will hold them separate and apart therefrom in trust and for the account of the Bank until deposit into the Collateral Account or other delivery thereof is made to the Bank.

Section 6.14. Business Names. Promptly notify the Bank of any change in the name under which it or the Lessee conducts its respective business.

Section 6.15. Use and Possession of the Equipment. The Equipment will be used by the Borrower and the Lessee in accordance with the provisions of the Lease.

Section 6.16. Identification Marks. The Borrower will cause the Items of Equipment to be numbered with the respective identification numbers set forth in Schedule I hereto, and will, if requested by the Bank, cause to be kept and maintained, plainly, distinctly, permanently and conspicuously marked on each side of each Item of Equipment, in letters not less than one inch in height, the words "Ownership Subject to Documents Filed with the Surface Transportation Board", with appropriate changes thereof as from time to time may be required by law, or required in the opinion of the Bank, in order to protect the Lien on and the Borrower's interest in such Item of Equipment and the rights of the Borrower under the Lease and the rights of the Bank under the Loan Documents. The Borrower will not suffer or permit any changes to the identification number of any Item of Equipment unless and until (i) a statement of new number or numbers to be substituted therefor shall have been filed with the Bank and duly filed and deposited by the Borrower or the Lessee in all public offices where the Lease and this Agreement shall have been filed and deposited and (ii) the Borrower or the Lessee shall have furnished the Bank an Opinion of Counsel to the effect that such statement has been so filed and deposited, and that no other filing, deposit or giving of notice with or to any Federal government or agency thereof is necessary to protect the rights of the Bank and the Borrower in such Item of Equipment.

Except as provided in the immediately preceding paragraph, the Borrower will not allow the name of any Person to be placed on any Item of Equipment as a designation that might be interpreted as a claim of ownership; provided, however, that an Item of Equipment may be lettered with the names or initials or other insignia customarily used by the Lessee.

Section 6.17. Notice of Casualty or Default. The Borrower further covenants and agrees that it will give the Bank prompt written notice of any event or condition constituting an event of default or casualty under the Lease, upon a responsible officer of the Borrower having actual knowledge of such event or condition providing the details of the occurrence thereof. For purposes of this Section 6.17 a "responsible officer" shall mean, with respect to the subject matter of any

covenant, agreement or obligation of the Borrower in this Agreement contained, any officer of the Borrower who, in the normal performance of his operational responsibilities, would have knowledge of such event or condition and the requirements of this Agreement with respect thereto. The Borrower further agrees that it will provide the Bank with an officer's certificate of a duly authorized officer of the Borrower, certifying to the existence of such an occurrence; and, in the case of an event of default, whether or not the Lessee thereof has undertaken to cure or has cured such default; and in the case of a casualty, (a) whether or not the Lessee has repaired or replaced the Item or Items of Equipment affected thereby, or (b) the amount which the Lessee thereof shall be obligated to pay as a result of such casualty under the terms of the Lease thereof and any adjustments to the rental obligations of the Lessee under the Lease as a result of such payment. This certificate shall be provided to the Bank within ten (10) business days of the Borrower's having actual knowledge of such event, and the certificate shall be acknowledged in writing by a duly authorized officer of the Lessee.

## VII. NEGATIVE COVENANTS OF BORROWER.

Until payment in full and the performance of all of the Obligations, without the prior written consent of the Bank, the Borrower will not directly or knowingly indirectly:

Section 7.1. Mortgages and Pledges. Create, incur, assume or suffer to exist any assignment of, any mortgage, pledge, lien or other encumbrance of any kind upon, and any security interest in, any of the Collateral whether now owned or hereafter acquired, except (a) liens for taxes not delinquent and being contested in good faith by appropriate and diligent legal proceedings, and (b) mechanics', workmen's, materialmen's, landlords', carriers or other like liens arising in the ordinary course of business with respect to obligations that are not due or that are being contested in good faith, (c) the Lien and (d) the Lease.

Section 7.2. Location of Collateral. Transfer, or permit the transfer, to another location of any of the books and records related to the Collateral; provided, however, that the Borrower may transfer such books and records to another location if the Borrower shall have provided to the Bank prior to such transfer an opinion of counsel addressed to the Bank to the effect that the Bank's perfected security interest shall not be affected by such move or if it shall be affected, setting forth the steps necessary to continue the Bank's perfected security interest together with the commencement of such steps by the Borrower at its expense.

Section 7.3. The Lease. Assign or pledge, any of its right, title or interest in the Collateral, to anyone other than the Bank, and the Borrower will not, other than Excepted Payments accept any payment from the Lessee, acquiesce to, permit, enter into any agreement providing for, or suffer to occur, any amendment, supplement, modification or termination of the Lease, execute any waiver or modification of, or consent under, settle or compromise any claim against the Lessee arising under the Lease or submit or consent to the submission of any dispute, difference or other matter arising under or in respect of the Lease to arbitration thereunder, or fail to comply with all of its obligations under the Lease.

Section 7.4. ERISA. Restate or amend any Plan established and maintained by the Borrower or any Commonly Controlled Entity in a manner designed to disqualify such Plan under

the applicable requirements of the Code; permit officers of the Borrower or any Commonly Controlled Entity to materially adversely affect the qualified tax-exempt status of any Plan of the Borrower or any Commonly Controlled Entity; engage in or permit any Commonly Controlled Entity to engage in a Prohibited Transaction; incur or permit any Commonly Controlled Entity to incur any Accumulated Funding Deficiency, whether or not waived, in connection with any Plan; take or permit any Commonly Controlled Entity to take any action or fail to take any action which causes a termination of any Plan in a manner which could result in the imposition of a lien on the property of the Borrower or any Commonly Controlled Entity pursuant to Section 4068 of ERISA; fail to notify the Bank that notice has been received of a termination of any Multiemployer Plan to which the Borrower or any Commonly Controlled Entity has an obligation to contribute; incur or permit any Commonly Controlled Entity to incur a complete or partial withdrawal from any Multiemployer Plan to which the Borrower or any Commonly Controlled Entity has an obligation to contribute; or fail to notify the Bank that notice has been received from the administrator of any Multiemployer Plan to which the Borrower or any Commonly Controlled Entity has an obligation to contribute that any such plan will be placed in "reorganization".

#### VIII. EVENTS OF DEFAULT.

The occurrence of one or more of the following events shall be "Events of Default" under this Agreement, and the terms "Event of Default" or "default" shall mean, whenever they are used in this Agreement, any one or more of the following events:

Section 8.1. Failure to Pay the Obligations. The Borrower shall fail to make any payment of principal of or interest on the Promissory Note or otherwise pay any of the Obligations and such failure shall continue unremedied for 10 business days after receipt by the Borrower of written notice from the Bank.

Section 8.2. Breach of Representations and Warranties. Any representation or warranty made herein or in any report, certificate, opinion (including any opinion of counsel for the Borrower), financial statement or other instrument furnished in connection with the Obligations or with the execution and delivery of any of the Loan Documents shall prove to have been false or misleading in any material respect when made and such default shall continue unremedied for a period of 10 days after written notice is received by the Borrower from the Bank.

Section 8.3. Failure to Perform the Obligations. The Borrower shall default in the due observance and performance of any covenant, condition, obligation or agreement contained in this Agreement and such default shall continue unremedied for a period of thirty (30) days after written notice is received by the Borrower from the Bank.

Section 8.4. Default Under The Lease. An event of default shall occur under the Lease, and such event of default is not cured within the cure periods set forth in the Lease after written notice thereof to the Borrower from the Bank.

Section 8.5. Receiver; Bankruptcy of Borrower. The Borrower shall (a) apply for or consent to the appointment of a receiver, trustee or liquidator of itself or any of its property, (b) admit in writing its inability to pay its debts as they mature, (c) make a general assignment for the

benefit of creditors, (d) be adjudicated a bankrupt or insolvent, (e) file a voluntary petition in bankruptcy or a petition or an answer seeking reorganization or an arrangement with creditors or to take advantage of any bankruptcy, reorganization, insolvency, readjustment of debt, dissolution or liquidation law or statute, or an answer admitting the material allegations of a petition filed against it in any proceeding under any such law or if corporate action shall be taken by the Borrower for the purposes of effecting any of the foregoing, (f) by any act indicating its consent to, approval of or acquiescence in any such proceeding or the appointment of any receiver of or trustee for any of its property, or suffer any such receivership, trusteeship or proceeding which continues undischarged for a period of sixty (60) days.

Section 8.6. Receiver; Bankruptcy of Lessee. The Lessee shall (a) apply for or consent to the appointment of a receiver, trustee or liquidator of itself or any of its property, (b) admit in writing its inability to pay its debts as they mature, (c) make a general assignment for the benefit of creditors, (d) be adjudicated a bankrupt or insolvent, (e) file a voluntary petition in bankruptcy or a petition or an answer seeking reorganization or an arrangement with creditors or to take advantage of any bankruptcy, reorganization, insolvency, readjustment of debt, dissolution or liquidation law or statute, or an answer admitting the material allegations of a petition filed against it in any proceeding under any such law or if corporate action shall be taken by the Lessee for the purposes of effecting any of the foregoing, (f) by any act indicating its consent to, approval of or acquiescence in any such proceeding or the appointment of any receiver of or trustee for any of its property, the obligations of the Lessee under the Lease shall not have been duly assumed in writing pursuant to a court order or decree and all defaults, if any, cured, within sixty (60) days after the occurrence of any of the foregoing events, and the Borrower shall fail to relet the Equipment to another lessee acceptable to the Bank, on terms and conditions substantially similar to those found in the Lease.

Section 8.7. Execution; Attachment. Any execution or attachment shall be levied against the Collateral, or any part thereof, and such execution or attachment shall not be set aside, discharged or stayed within thirty (30) days after the same shall have been levied.

## IX. RIGHTS AND REMEDIES UPON DEFAULT.

Section 9.1. Remedies. Upon the occurrence and continuance of an Event of Default (unless waived by the Bank or cured by the Borrower) at the time the remedy is exercised, and in every such event and at any time thereafter, the Bank shall have, among other things, the rights, options, duties and remedies of a secured party, and the Borrower shall have the rights and duties of a debtor, under the UCC (regardless of whether the UCC or a law similar thereto has been enacted in a jurisdiction wherein the rights or remedies are asserted) and without limiting the generality of the foregoing, the Bank may exercise any one or more or all, and in any order, of the remedies hereinafter set forth:

(a) The Bank may declare the Obligations immediately due and payable, both as to principal and interest, without presentment, demand, protest, or any notice of any kind, all of which are hereby expressly waived, anything contained herein or in any of the other Loan Documents to the contrary notwithstanding.

(b) The Borrower shall, at the request of the Bank, promptly execute and deliver to the Bank such instruments of title or other documents as the Bank may deem necessary or advisable to enable the Bank or an agent or representative designated by the Bank, at such time or times and place or places as the Bank may specify, to obtain possession of all or any part of the Collateral. If the Borrower shall for any reason fail to execute and deliver such instruments and documents after such request by the Bank, the Bank shall be entitled in a proceeding to which the Borrower shall be a necessary party, to a judgment for specific performance of the covenants contained in the foregoing sentence, conferring upon the Bank the right to immediate possession and requiring the Borrower to execute and deliver such instruments and documents to the Bank. Subject to the rights of the Lessee, if any, under the Lease, the Bank shall have the right to take immediate possession of the Collateral, or any portion thereof, and for that purpose may pursue the same wherever it may be found, and may enter any of the premises of the Borrower, with or without notice, demand, process of law or legal procedure, and search for, take possession of, remove, keep and store the same, or use and operate or lease the same until sold.

Upon the occurrence and continuance of an Event of Default (unless waived by the Bank or cured by the Borrower), the Bank may, but shall not be obligated to, from time to time, at the expense of the Borrower, make all such expenditures for maintenance, insurance, repairs, replacements, alterations, additions and improvements to and of the Collateral, as it may reasonably deem necessary. In each such case, the Bank shall have the right to use, operate, store, lease, control or manage the Collateral and to exercise all rights and powers of the Borrower relating to the Collateral as the Bank shall deem appropriate, including the right to enter into any and all such agreements with respects to the use, operation, storage, leasing, control or management of the Collateral or any part thereof; and the Bank shall be entitled to collect and receive directly all tolls, rents, issues, profits, products, revenues and other income of the Collateral and every part thereof, without prejudice, however, to any other right of the Bank under any provision of this Agreement to collect and receive all cash and other moneys held by, or required to be deposited with the Bank hereunder. In accordance with the terms of this Section 9.1(b), such tolls, rents, issues, profits, products, revenues and other income shall be applied to pay the expenses of using, operating, storing, leasing, controlling or managing the Collateral and of all maintenance, insurance, repairs, replacements, alterations, additions and improvements, and to make all payments which the Bank may be required or may elect to make, if any, for taxes, assessments, insurance or other proper charges upon the Collateral or any part thereof (including the employment of engineers and accountants to examine, inspect and make reports upon the properties and books and records of the Borrower in accordance with this Section 9.1(b)), and all other payments which the Bank may be required or authorized to make under any provision of this Agreement, including this Section 9.1(b), as well as just and reasonable compensation for the services of all Persons properly engaged and employed by the Bank for the purposes hereof. Nothing contained herein shall grant to the Bank any right to or interest in the Excepted Payments.

(c) Subject to the rights of the Lessee, if any, under the Lease, the Bank may either with or without taking possession and either before or after taking possession, and without instituting any legal proceeding whatsoever, sell and dispose of the Collateral, or any part thereof, at public auction to the highest bidder or, unless prohibited under applicable law, at private sale, in one lot as an entirety or in separate lots, and either for cash or on credit and on such terms as the Bank alone may determine, and at any place (whether or not the location of the Collateral or any part

thereof) designated in the notice above referred to. Any such sale or sales may be adjourned from time to time by announcement at the time and place appointed for such sale or sales, or for any such adjourned sale or sales, without further published notice, and the Bank or the Borrower may bid and become the purchaser at any such sale.

The Borrower hereby irrevocably constitutes the Bank the true and lawful attorney-in-fact of the Borrower (in the name of the Borrower or otherwise) for the purpose of effectuating any sale, assignment, transfer or delivery for enforcement of the Lien whether pursuant to foreclosure or power of sale or otherwise, to execute and deliver all such bills of sale, assignments and other instruments as the Bank may consider necessary or appropriate, with full power of substitution, the Borrower hereby ratifying and confining all that such attorney or any substitute shall lawfully do by virtue hereof; provided, however, the Bank shall not exercise such power of attorney unless an Event of Default has occurred and is continuing (unless waived by the Bank or cured by the Borrower). Nevertheless, if so requested by the Bank or any purchaser, the Borrower shall ratify and confirm any such sale, assignment, transfer or delivery, by executing and delivering to the Bank or such purchaser all bills of sale or other title documents, assignments, releases and other proper instruments to effect such ratification and confirmation as may be designated in any such request. The Bank agrees that the Borrower shall have the rights of a "debtor" under Section 9-505(2) of the Uniform Commercial Code and shall be entitled to receive the notice referred to therein.

(d) Subject to the rights of the Lessee, if any, under the Lease, the Bank may proceed to protect and enforce its rights under this Agreement and the other Loan Documents by suit or suits or proceedings in equity, at law or in bankruptcy, and whether for the specific performance of any covenant or agreement herein contained or in execution or aid of any power herein granted, or for foreclosure hereunder, or for the appointment of a receiver or receivers for the Collateral or any part thereof, for the recovery of judgment for damages as provided in Section 9.7 the indebtedness hereby secured or for the enforcement of any other proper, legal or equitable remedy available under applicable law.

(e) Subject to the rights of the Lessee, if any, under the Lease, the Bank may proceed to exercise all rights, privileges and remedies of the Borrower under the Lease, and may exercise all such rights and remedies either in the name of the Bank or in the name of the Borrower for the use and benefit of the Bank.

(f) Each and every right, power and remedy herein given to the Bank specifically or otherwise in this Agreement shall be cumulative and shall be in addition to every, other right, power and remedy herein specifically given or now or hereafter existing at law, in equity or by statute, and each and every right, power and remedy whether specifically herein given or otherwise existing may be exercised from time to time and as often in such order as may be deemed expedient by the Bank and the exercise or the beginning of the exercise of any power or remedy shall not be construed to be a waiver of the right to exercise at the same time or thereafter any other right, power or remedy. No delay or omission by the Bank in the exercise of any right, remedy or power or in the pursuance of any remedy shall impair any such right, power or remedy or be construed to be a waiver of any default on the part of the Borrower or the Lessee or to be in acquiescence therein.

Section 9.2. Expenses. If the Borrower shall fail to pay the Obligations or otherwise fail to perform, observe or comply with any of the conditions, covenants, terms, stipulations or agreements contained in this Agreement or any of the other Loan Documents and such failure constitutes an Event of Default, the Bank without further notice to or demand upon the Borrower and without waiving or releasing any of the obligations or any Event of Default, may (but shall be under no obligation to) at any time thereafter make such payment or perform such act for the account and at the expense of the Borrower (the "Expense Payments"), and may enter upon the premises of the Borrower for that purpose and take all such action thereon as the Bank may consider necessary or appropriate for such purpose. All sums so paid or advanced by the Bank and all costs and expenses (including, without limitation, reasonable attorneys' fees and expenses) incurred in connection therewith together with interest thereon at the rate of 2% per annum in excess of the then highest current interest rate payable on the Promissory Note from the date of payment until paid in full, shall be paid by the Borrower to the Bank on demand and shall constitute and become a part of the Obligations.

Section 9.3. Notice and Liquidation Costs. Any written notice of the sale, disposition or other intended action by the Bank with respect to the Collateral that is sent by overnight courier or by certified mail, postage prepaid, return receipt requested to the Borrower at the address set forth in Part X hereof, or such other address of the Borrower that may from time to time be shown on the Bank's records, at least ten (10) days prior to such sale, disposition or other action, shall constitute reasonable notice to the Borrower. The Borrower shall be liable for all costs and expenses, including, without limitation, attorney's fees and expenses, incurred by or on behalf of the Bank in preparing for sale or other disposition, selling, managing, collecting or otherwise disposing of, the Collateral. All of such costs and expenses (the "Liquidation Costs") together with interest thereon from the date incurred until paid in full at a per annum rate of interest that is equal to the highest current rate of interest payable on the Promissory Note plus 2% per annum, shall be paid by the Borrower to the Bank on demand and shall constitute and become a part of the Obligations. Any proceeds of sale or other disposition of the Collateral will be applied by the Bank to the payment of the Liquidation Costs and Expense Payments, and any balance of such proceeds will be applied by the Bank to the payment of the balance of the Obligations in the following order: first any unpaid fees, then any unpaid interest, and finally any unpaid principal. After such application of the proceeds, any balance shall be paid to the Borrower.

Section 9.4. Waiver of Borrower. To the extent now or at any time hereafter enforceable under applicable law, subject to the last sentence of this Section, the Borrower covenants that it will not at any time insist upon or plead, or in any manner whatsoever claim or take any benefit or advantage of, any stay or extension of law now or at any time hereafter in force, nor claim, take nor insist upon any benefit or advantage of or from any law now or hereafter in force providing for the valuation or appraisal of the Collateral or any part thereof, prior to any sale or sales thereof to be made pursuant to any provision herein contained, or to the decree, judgment or order of any court of competent jurisdiction; nor, after such sale or sales, claim or exercise any right under any statute now or hereafter made or enacted by any state or otherwise to redeem the property so sold or any part thereof, and hereby expressly waives for itself and on behalf of each and every Person, except decree or judgment creditors of the Borrower acquiring any interest in or title to the Collateral or any part thereof subsequent to the date of this Agreement, all benefit and advantage of any such law or laws, and covenants that it will not invoke or utilize any such law or laws or otherwise hinder,



delay or impede the execution of any power herein granted and delegated to the Bank but will suffer and permit the execution of every such power as though no such law or laws had been made or enacted. Notwithstanding the foregoing, nothing contained in this Article IX shall be deemed to constitute a waiver by the Borrower of its right to insist upon the Bank's disposition of the Collateral in a commercially reasonable matter following the occurrence of any Event of Default hereunder.

Section 9.5. Effect of Sale. Any sale, whether under any power of sale hereby given or by virtue of judicial proceedings, shall operate to divest all right, title, interest, claim and demand whatsoever, either at law or in equity, of the Borrower in and to the property sold, shall be a perpetual bar, both at law and in equity, against the Borrower, its successors and assigns, and against any and all Persons claiming the property sold or any part thereof under, by or through the Borrower, its successors or assigns (subject, however, to the then existing rights, if any, of the Lessees under the Leases).

Section 9.6. [Reserved]

Section 9.7. Non-Recourse. Notwithstanding any other provision herein but subject to the second sentence of this Section, all obligations of the Borrower hereunder, including, without limitation, the obligation to pay any monies when due (such as all principal, prepayment premiums, if any, and interest under the Note, insurance premiums, Liquidation Costs, Expense Payments, attorney fees and court costs, "out of pocket costs" such as costs for preparing for sale or other disposition, or selling, managing, collecting or otherwise disposing of the Collateral, and for paying any lien, encumbrance, tax, assessment or judgment), shall be expressly nonrecourse to the Borrower and its officers and shareholders and all such payments shall be made only from the income and proceeds from the Collateral and only to the extent that the Borrower shall have sufficient income and proceeds from the Collateral to make such payments. The foregoing limitation of recourse shall not limit, restrict or impair the rights of the Bank to accelerate the maturity of the Note upon a default thereunder, to bring suit for or obtain a non-monetary order (e.g., specific performance) against the Borrower or to exercise all rights and remedies provided hereunder, or otherwise realize upon the Collateral; and, further, shall not be deemed to bar or prohibit the Bank from asserting a claim against, exercising remedies with respect to, or proceeding against the Borrower for any damages suffered by the Bank solely arising from any material representation or material warranty contained herein or in any of the other Loan Documents proving to be untrue when made or to have been breached, or the Borrower's failure to comply with the provisions of Sections 1.5, 1.7, 6.7, 7.1 or 7.3 hereof.

Section 9.8. Consent to Jurisdiction; Service of Process. The Borrower hereby agrees and consents that any action or proceeding arising out of or brought to enforce the provisions of this Agreement and/or any of the other Loan Documents may be brought in any appropriate court in the State of Maryland or in any other court having jurisdiction over the subject matter, all at the sole election of the Bank, and by the execution of this Agreement the Borrower irrevocably consents to the jurisdiction of each such court. The Borrower hereby irrevocably appoints Gary L. Vontz, 222 West Gregory Boulevard, Suite 231, Kansas City, Missouri 64114, as its agent to accept service of process for it and on its behalf in any proceeding brought pursuant to the provisions of this subsection.

X. MISCELLANEOUS.

Section 10.1. Notices. All notices, certificates or other communications hereunder shall be deemed given when delivered by hand or courier, or when mailed by certified mail, postage prepaid, return-receipt requested, addressed as follows:

if to the Bank:	ALLFIRST BANK Transportation & Leasing Division Mail Code 101-460 25 South Charles Street, 15th Floor Baltimore, Maryland 21201 Attention: Richard M. Folio
if to the Borrower:	NATIONAL CAR SYSTEMS INC. 222 West Gregory Boulevard, Suite 231 Kansas City, Missouri 64114 Attention: Gary L. Vontz

Section 10.2. Consents and Approvals. If any consent, approval, or authorization of any state, municipal or other governmental department, agency or authority or of any Person having any interest therein, should be necessary to effectuate any sale or other disposition of the Collateral, the Borrower agrees to execute all such applications and other instruments, and to take all other action, as may be required in connection with securing any such consent, approval or authorization.

Section 10.3. Remedies, etc. Cumulative. Each right, power and remedy of the Bank as provided for in this Agreement or in any of the other Loan Documents or in the Leases or now or hereafter existing at law or in equity or by statute or otherwise shall be cumulative and concurrent and shall be in addition to every other right, power or remedy provided for in this Agreement or in any of the other Loan Documents or in the Lease or now or hereafter existing at law or in equity, by statute or otherwise, and the exercise or beginning of the exercise by the Bank of any one or more of such rights, powers or remedies shall not preclude the simultaneous or later exercise by the Bank of any or all such other rights, powers or remedies. In order to entitle the Bank to exercise any remedy reserved to it herein, it shall not be necessary to give any notice, other than such notice as may be expressly required in this Agreement.

Section 10.4. No Waiver of Rights by the Bank. No failure or delay by the Bank to insist upon the strict performance of any term, condition, covenant or agreement of this Agreement or of any of the other Loan Documents, or to exercise any right, power or remedy consequent upon a breach thereof, shall constitute a waiver of any such term, condition, covenant or agreement or of any such breach or preclude the Bank from exercising any such right, power or remedy at any later time or times. By accepting payment of any amount payable under this Agreement or under any of the other Loan Documents after the same is due and payable (and any applicable grace period with respect thereto has expired), the Bank shall not be deemed to waive the right either to require prompt payment when due of all other amounts payable under this Agreement or under any of the

other Loan Documents, or to declare a default for failure to effect such prompt payment of any such other amount.

Section 10.5. Entire Agreement. This Agreement and the other Loan Documents shall completely and fully supersede all other prior agreements, both written and oral, between the Bank and the Borrower relating to the Obligations. Neither the Bank nor the Borrower shall hereafter have any rights under such prior agreements but shall look solely to this Agreement and the other Loan Documents for definition and determination of all of their respective rights, liabilities and responsibilities relating to the Obligations.

Section 10.6. Survival of Agreement; Successors and Assigns. All covenants, agreements, representations and warranties made by the Borrower herein and in any certificate, in the Loan Documents and in any other instruments or documents delivered pursuant hereto shall survive the making by the Bank of the Loan and the execution and delivery of the Promissory Note, and shall continue in full force and effect so long as any of the Obligations are outstanding and unpaid. Whenever in this Agreement any of the parties hereto is referred to, such reference shall be deemed to include the successors and assigns of such party. All covenants, promises and agreements by or on behalf of the Borrower, which are contained in this Agreement, shall inure to the benefit of the successors and assigns of the Bank, and all covenants, promises and agreements by or on behalf of the Bank, which are contained in this Agreement, shall inure to the benefit of the permitted successors and permitted assigns of the Borrower, but this Agreement may not be assigned by the Borrower without the prior written consent of the Bank.

Section 10.7. Expenses. The Borrower agrees to pay up to \$\_\_\_\_\_ of the out-of-pocket expenses of the Bank (including the fees and expenses of its legal counsel and any and all recordation tax and other costs and taxes incident to recording) in connection with the preparation of this Agreement and the Loan Documents and the recordation of this Agreement and a memorandum of the Lease with the STB and the filing of UCC-1s with the appropriate filing offices in the State of Missouri. The Borrower agrees to indemnify and save harmless the Bank for and from any liability resulting from the failure to pay any required recordation tax, transfer taxes, recording costs or any other expenses incurred by the Bank in connection with the Obligations which tax, cost or expense is unknown to the Bank at the closing of the Loan. The provisions of this Section shall survive the execution and delivery of this Agreement and the repayment of the Obligations. The Borrower further agrees to reimburse the Bank upon demand for all out-of-pocket expenses (including reasonable attorneys' fees and legal expenses) incurred by the Bank in enforcing any of the Obligations or any security therefor, which agreement shall survive the termination of this Agreement and the repayment of the Obligations. Upon satisfaction of all of the Obligations, the Bank shall file all necessary releases to release the Lien. The Borrower shall pay for the cost of preparing and filing such releases with the STB and the appropriate filing offices in the State of Missouri. The Bank shall pay for the cost of preparing and filing any other releases unless the filings were required as a result of the relocation of the Borrower's books and records relating to the Collateral in which case the Borrower shall pay for such releases.

Section 10.8. Counterparts. This Agreement may be executed in any number of counterparts, all of which together shall constitute a single instrument.

Section 10.9. Maryland Law Governs. This Agreement and all other related instruments and documents and the rights and obligations of the parties hereunder and thereunder shall, in all respects, be governed by, and construed in accordance with the laws of the State of Maryland, including all matters of construction, validity and performance.

Section 10.10. Modifications. No modification or waiver of any provision of this Agreement or of any of the other Loan Documents, nor consent to any departure by the Borrower therefrom, shall in any event be effective unless the same shall be in writing, and then such waiver or consent shall be effective only in the specific instance and for the purpose for which given. No notice to or demand on the Borrower in any case shall entitle the Borrower to any other or further notice or demand in the same, similar or other circumstance.

Section 10.11. Illegality. If fulfillment of any provision hereof or any transaction related hereto or to any of the other Loan Documents, at the time performance of such provision shall be due, shall involve transcending the limit of validity prescribed by law, then ipso facto, the obligation to be fulfilled shall be reduced to the limit of such validity; and if any clause or provisions herein contained other than the provisions hereof pertaining to repayment of the Obligations operates or would prospectively operate to invalidate this Agreement in whole or in part, then such clause or provision only shall be void, as though not herein contained, and the remainder of this Agreement shall remain operative and in full force and effect; and if such provision pertains to repayment of the Obligations, then, at the option of the Bank, all of the Obligations of the Borrower to the Bank shall become immediately due and payable.

Section 10.12. Extension of Maturity. Should the principal of or interest on the Promissory Note become due and payable on other than a Banking Day, the maturity thereof shall be extended to the next succeeding Banking Day and in the case of principal, interest shall be payable thereon at the rate per annum specified in the Promissory Note during such extension.

Section 10.13. Gender, etc. Whenever used herein, the singular number shall include the plural, the plural the singular and the use of the masculine, feminine or neuter gender shall include all genders.

Section 10.14. Headings. The headings in this Agreement are for convenience only and shall not limit or otherwise affect any of the terms hereof.

Section 10.15. Liability of the Bank. The Borrower hereby agrees that the Bank shall not be chargeable for any negligence, mistake, act or omission of any non-Bank employee that is employed by the Bank as an accountant, examiner, agency or attorney (except for the willful misconduct of any such Person employed by the Bank) in making examinations, investigations or collections, or otherwise in perfecting, maintaining, protecting or realizing upon any lien or security interest or any other interest in the Collateral or other security for the Obligations.

Section 10.16. Bank Covenants. The Bank shall provide the Borrower with (a) copies of all notices which it sends to the Lessee or receives from the Lessee pursuant to the Lease (b) notice of any non-payment by the Lessee of monthly rent due under the Lease, and (c) copies of all filings

made by the Bank with the STB and all financing statement recording offices with respect to the Collateral.

XI. DEFINITIONS.

For the purposes hereof:

(a) Each accounting term not defined herein shall have the meaning given to it under generally accepted accounting principles as applied to the Borrower on a consistent basis by the Borrower's accountants in the preparation of its previous annual financial statements.

(b) "Banking Day" shall mean any day that is not a Saturday, Sunday or bank holiday in the State of Maryland.

(c) "Person" shall include natural persons, corporations (which shall be deemed to include business trusts), associations, companies, partnerships and joint ventures.

(d) "Loan Documents" shall be the Loan Agreement, Chattel Mortgage and Security Agreement, the Promissory Note and all other documents executed by the Borrower or any other person at any time in connection with the Loan.

[SIGNATURES APPEAR ON THE FOLLOWING PAGE]

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be duly executed, under seal, as of the day and year first above written.

ATTEST:

NATIONAL CAR SYSTEMS INC.

Allen Redmond

By: Gary L. Vontz (SEAL)  
Gary L. Vontz  
President

WITNESS:

ALLFIRST BANK

\_\_\_\_\_

By: \_\_\_\_\_ (SEAL)  
Richard M. Folio  
Vice President

STATE OF Missouri)

) ss:

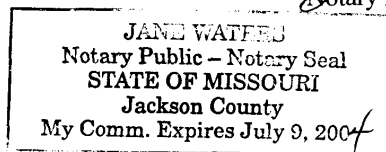
County of Jackson)

On this 2<sup>nd</sup> day of May, 2001, before me personally appeared Gary L. Vontz, to me personally known, who being by me duly sworn, says that he is the President of NATIONAL CAR SYSTEMS INC., that the foregoing instrument was signed on behalf of said corporation by authority of its Board of Directors, and that he acknowledged that the execution of the foregoing instrument was the free act and deed of said corporation.

IN WITNESS WHEREOF I have set my hand and seal.

(SEAL)

My Commission Expires:



IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be duly executed, under seal, as of the day and year first above written.

ATTEST:

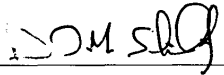
NATIONAL CAR SYSTEMS INC.

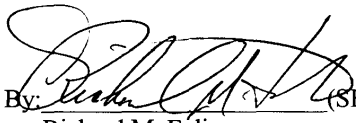
\_\_\_\_\_

By: \_\_\_\_\_ (SEAL)  
Gary L. Vontz  
President

WITNESS:

ALLFIRST BANK

  
\_\_\_\_\_

By:  (SEAL)  
Richard M. Folio  
Vice President

STATE OF \_\_\_\_\_ )  
 ) ss:  
\_\_\_\_\_ OF \_\_\_\_\_ )

On this \_\_\_\_ day of April, 2001, before me personally appeared Gary L. Vontz, to me personally known, who being by me duly sworn, says that he is the President of NATIONAL CAR SYSTEMS INC., that the foregoing instrument was signed on behalf of said corporation by authority of its Board of Directors, and that he acknowledged that the execution of the foregoing instrument was the free act and deed of said corporation.

IN WITNESS WHEREOF I have set my hand and seal.

\_\_\_\_\_  
Notary Public

(SEAL)

My Commission Expires:

STATE OF MARYLAND)

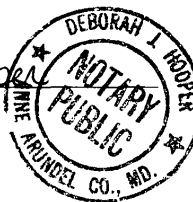
) SS:

City of Baltimore)

On this 30<sup>th</sup> day of April, 2001, before me, a Notary Public of the City and State aforesaid, personally appeared Richard M. Folio, to me personally known, who being by me duly sworn, says that he is the Vice President of ALLFIRST BANK, a Maryland banking corporation, that the seal affixed to the foregoing instrument is the seal of said corporation, that said instrument was signed and sealed on behalf of said corporation by authority of its Board of Directors, and he acknowledged that the execution of the foregoing instrument was the free act and deed of said corporation.

AS WITNESS my hand and notarial seal

Deborah J. Hooper  
Notary Public



My commission expires: 7/27/02



SCHEDULE I

DESCRIPTION OF CARS

One hundred seventy (170) open top rotary coupler rail gondolas, AAR mechanical designation J312(GT), built in 1979 bearing the following marks and numbers:

NCEX	1	NCEX	64	NCEX	125	NCEX	184
NCEX	2	NCEX	67	NCEX	127	NCEX	186
NCEX	3	NCEX	68	NCEX	128	NCEX	187
NCEX	4	NCEX	69	NCEX	129	NCEX	188
NCEX	5	NCEX	70	NCEX	130	NCEX	189
NCEX	7	NCEX	72	NCEX	132	NCEX	190
NCEX	8	NCEX	73	NCEX	133	NCEX	191
NCEX	9	NCEX	74	NCEX	134	NCEX	192
NCEX	10	NCEX	75	NCEX	135	NCEX	193
NCEX	11	NCEX	76	NCEX	136	NCEX	195
NCEX	12	NCEX	78	NCEX	137	NCEX	197
NCEX	13	NCEX	80	NCEX	138	NCEX	198
NCEX	14	NCEX	81	NCEX	139	NCEX	200
NCEX	15	NCEX	82	NCEX	140	NCEX	201
NCEX	17	NCEX	83	NCEX	143	NCEX	202
NCEX	18	NCEX	84	NCEX	145	NCEX	203
NCEX	19	NCEX	85	NCEX	149	NCEX	204
NCEX	22	NCEX	86	NCEX	150	NCEX	205
NCEX	23	NCEX	87	NCEX	151	NCEX	206
NCEX	25	NCEX	88	NCEX	152	NCEX	208
NCEX	27	NCEX	91	NCEX	153	NCEX	209
NCEX	28	NCEX	95	NCEX	154	NCEX	210
NCEX	29	NCEX	96	NCEX	156	NCEX	212
NCEX	30	NCEX	97	NCEX	158	NCEX	214
NCEX	32	NCEX	98	NCEX	159	NCEX	215
NCEX	34	NCEX	99	NCEX	161	NCEX	216
NCEX	35	NCEX	100	NCEX	162	NCEX	218
NCEX	39	NCEX	101	NCEX	163	NCEX	220
NCEX	40	NCEX	102	NCEX	166	NCEX	221
NCEX	41	NCEX	105	NCEX	167	NCEX	223
NCEX	42	NCEX	106	NCEX	168	NCEX	224
NCEX	46	NCEX	108	NCEX	169	NCEX	225
NCEX	49	NCEX	109	NCEX	170	NCEX	226
NCEX	50	NCEX	111	NCEX	172	NCEX	227
NCEX	51	NCEX	112	NCEX	173	NCEX	229
NCEX	53	NCEX	114	NCEX	176	NCEX	231
NCEX	55	NCEX	115	NCEX	177	NCEX	232
NCEX	56	NCEX	116	NCEX	178	NCEX	237
NCEX	58	NCEX	117	NCEX	179	NCEX	239
NCEX	59	NCEX	119	NCEX	180	NCEX	240
NCEX	60	NCEX	121	NCEX	181	NCEX	242
NCEX	62	NCEX	122	NCEX	182		
NCEX	63	NCEX	123	NCEX	183		

**Exhibit A**

FORM OF NON-RECOURSE PROMISSORY NOTE

[Intentionally omitted]

IN WITNESS WHEREOF, the Borrower has caused this Note to be duly executed, under seal, as of the day and year first above written.

ATTEST: NATIONAL CAR SYSTEMS INC.

\_\_\_\_\_

By: \_\_\_\_\_ (SEAL)  
Gary L. Vontz  
President

STATE OF \_\_\_\_\_, CITY OF \_\_\_\_\_, TO WIT:

I HEREBY CERTIFY, that on this \_\_\_\_ day of \_\_\_\_\_, 2001, before me personally appeared Gary L. Vontz, to me personally known, who being by me duly sworn, says that he is the President of NATIONAL CAR SYSTEMS INC., that said instrument was signed and sealed on behalf of said corporation by authority of its Board of Directors, and that he acknowledged that the execution of the foregoing instrument was the free act and deed of said corporation.

AS WITNESS my hand and Notarial Seal.

(SEAL)

\_\_\_\_\_  
Notary Public

My Commission Expires: